NOTIFICATION.

(LAW DEPARTMENT.)

No. LAW 4 LCA 66, Bangalore, dated 30th March—11th April 1966.

Ordered that the Imports and Exports Control (Amendment) Bill, 1966 (Central Bill 14 of 1966) which has been published in the *Gazette of India*, Extraordinary, Part II, Section 11, dated the 14th February 1966 be republished in the *Mysore Gazette*, for general information.

By Order and in the name of the Governor of Mysore,

H. K. ANANTHASUBBA RAO,

Under Secy. to Govt., L. D.

LOKSABHA

The following Bill was introduced in Lok Sabha on the 22nd February, 1966.—

BILL NO. 14 OF 1966

A Bill further to amend the Imports and Exports (Control) Act, 1947.

BE it enacted by Parliament in the Seventeenth Year of the Republic of India as follows:—

1. **Short Title.**—This Act may be called the Imports and Exports (Control) Amendment Act, 1966.

2. **Amendment of Section 1.**—*In section 1 of the Imports and Exports (Control) Act, 1947* (18 of 1947) (*hereinafter referred to as the principal Act*), *in sub-section (3), for the figures* "1966", *the figures "1971" shall be substituted.*

3. Amendment of Section 3 —In section 3 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) All goods to which any order under sub-section (1) applies shall be deemed to be goods of which the import or export has been prohibited under section 11 of the Customs Act, 1962, (52 of 1962) and all the provisions of that Act shall have effect accordingly.".

4. Substitution of new section for section 5. Penalty.— For section 5 of the principal Act, the following section shall be substituted, namely:—

"5. If any person contravenes or attempts to contravene, or abets a contravention of, any order made or deemed to have been made under this Act or any condition of a licence granted under any such order, he shall, without prejudice to any confiscation or penalty to which he may be liable under the provisions of the Customs Act, 1962, (52 of 1962) be punishable with imprisonment for a term which may extend to two years and also with fine :

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the Court, such imprisonment shall not be for less than six months.".

Statement of Objects and Reasons.

The Imports and Exports (Control) Act, 1947 will cease to have effect on the 31st day of March, 1966, from which date there will be no legislative sanction for the continuance of import and export controls.

2. The need for the Central Government to have legislative powers to control the foreign trade of the country is as great today as it was in 1947. The country is embarking

on an ambitious Fourth Five Year Plan. The defence requirements also are much more than in the past. The need to conserve foreign exchange is, therefore, imperative and the position needs to be controlled closely and continuously to ensure optimum utilisation of available foreign exchange resources for the purchase of goods required to sustain industrialisation, to protect the indigenous industry and to meet essential requirements of defence and export-oriented industries. On the export side, it is necessary to ensure healthy practices in our foreign trade and to safeguard the interest of the country in respect of items primarily required for home consumption particularly in the present emergency.

3. The Bill accordingly seeks to continue for another five years that is, up to 31st March, 1971, the powers at present vested in the Central Government for control and regulation of imports and exports under the aforesaid Act.

4. The Bill also seeks to amend section 5 of the Act to make provision for a minimum penalty in pursuance of the recommendations of the Committee on Prevention of Corruption.

5. Opportunity has been taken to make certain changes in the Act, consequential on the repeal of the Sea Customs Act, 1878 and the enactment of the Customs Act, 1962 in its place.

NEW DELHI ; MANUBHAI SHAH.

The 14th February 1966.

Financial Memorandum

The Imports and Exports (Control) Amendment Bill, 1966 seeks to extend the life of the existing Imports and Exports (Control) Act, 1947 by another five years from 31st March, 1966. The Import and Export Trade Control Organisation is an existing Organisation and it is proposed

to continue this Organisation for the extended period of the Act. The revised estimated expenditure on this Organisation for the year 1965–66 is Rupees, one crore eleven lakhs four thousand seven hundred and the budget estimate proposed for this Organisation for the year 1966–67 is Rupees one crore nineteen lakhs eighty-two thousand one hundred. It is not possible at the present stage to indicate precisely the likely extra expenditure that will be incurred on this Organisation for the years subsequent to 1966–67, except to say that it is likely to be more or less on the same pattern. In any case, no expenditure will be incurred without due appropriation made by Parliament by law in this behalf.

S. L. SHAKDHER,

Secretary.

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